

## 403(b) Plan Eligibility Notice to Employees

In compliance with the 403(b) regulations, South St. Paul Schools is pleased to offer eligible employees the opportunity to voluntarily save for retirement by participating in a tax-sheltered account (TSA).

A tax-sheltered account (TSA) is a tax-deferred retirement investment plan, such as the 403(b) offered through the District. The term “403b”, refer to sections of the IRS Code, which define the rules by which “pre-tax” investments may be made through payroll deduction. These voluntary saving plans supplement the mandatory defined-benefit pension plan (such as TRA or PERA) to which you already belong. Together they will help you be prepared for a more comfortable and secure life after you retire.

All employees who receive compensation reportable on an Internal Revenue Service (IRS) Form W-2 are eligible to participate in the plan, except for those specifically excluded by the Plan. If eligible, you may participate in this Plan by establishing a 403(b) account with one of the approved Plan vendors and then completing a Salary Reduction Agreement to make pre-tax contributions. To begin, review the list of approved vendors and work with an agent to open an account. Once your account is set-up, complete the Salary Reduction Agreement and submit to Payroll at the District Office. A list of approved vendors and the 403(b) Salary Reduction Agreement are available on our website under Human Resources/Retirement 403(b).

By electing to participate in the Plan, you are acknowledging and agreeing to abide by the Plan’s rules and all IRS regulations related to 403(b) plans. For information about the 403(b), products and services offered by each approved Provider, employees need to contact each company directly. Participation in this plan is voluntary.

*Note: The District has no liability for any employee’s election to participate in the 403(b) plan, choice of 403(b) vendor, or expected tax consequences resulting from participating in the 403(b) plan. The District does not provide tax, legal or investment advisor and recommends that employees seek advice from professionals who specialist in these areas.*